

# RENTAL BOND KIT



**TENANTS  
ADVICE**  
AND ADVOCACY  
SERVICES



**TENANTS'  
UNION**  
OF NEW SOUTH WALES

# Rental Bond Kit

*A guide to protecting your bond – for tenants in New South Wales.*

**Acknowledgement of Country:** This kit was prepared on Gadigal, Dharawal, and Darkinjung Countries. The Tenants' Union of NSW acknowledges the traditional owners and holders of knowledge of Country and pay respect to all Elders past, present and future. These owners were displaced from their ancestral lands and this occupation has had an ongoing impact. In contrast to the other inhabitants of this land, the majority of Aboriginal and Torres Strait Islander People rent their homes.

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**Disclaimer:** This kit is intended as a guide and should not be used as a substitute for legal advice. It applies to people who live in, or are affected by, the law as it applies in New South Wales Australia.

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**Illustrations:** Miles Hiroshi Huynh.



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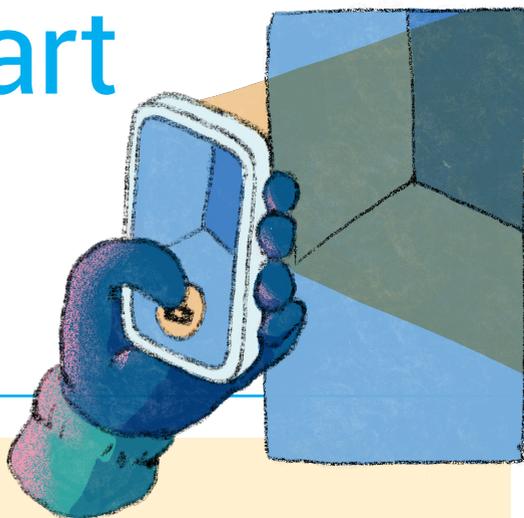
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# At the start of the tenancy



## What is bond?

When you rent a home, you pay money called a 'bond.' Bond is not rent. It is a **security payment**. At the end of the tenancy, if the landlord can prove you owe money or have damaged the property, then they may claim from your bond. If the landlord wants to claim from your bond, they need to prove why and what the bond money is needed for – with **evidence** such as quotes and invoices.

The bond is your money, **held by NSW Fair Trading / the Rental Bond Board** until the end of your tenancy.

A bond is not compulsory but most landlords ask for one.

## How much bond can be charged?

The most you can be asked to pay for bond is an amount equal to **4 weeks rent**.

**Example:** If your rent is \$800 per week, your bond cannot be more than  $4 \times \$800 = \$3200$ .

You can sometimes pay bond by instalments if your landlord agrees, but this is not common.

You can only be asked to pay one bond per tenancy. The landlord/agent cannot require you to pay more (or another) bond when the rent is increased or if a new tenant moves in. If the landlord/agent asks for more bond money, you can use our [Sample letter: Bond top-up](#).

## How do I pay the bond?

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You can pay the bond in two ways:

1. Directly to NSW Fair Trading, using [Rental Bonds Online](#).
2. To the landlord or real estate agent who must lodge the bond money with NSW Fair Trading. The landlord/agent must give you a receipt and a lodgement form to sign.

You pay the bond when you sign the **tenancy agreement** (commonly called a '**lease**'). The landlord/agent cannot require you to pay a bond to them before you sign, however it is normal to pay the bond just before you sign if you are using Rental Bonds Online.

**Tip:** Once your bond is lodged, you will get a deposit notice from NSW Fair Trading. If you do not get it within a few weeks, contact NSW Fair Trading to make sure your bond is safely stored. If the landlord/agent does not deposit the bond within the required period, they can be fined up to \$2,200; you can send them our [Sample letter: Bond not lodged](#). It's a good idea to keep your deposit notice somewhere safe you'll remember.

## Rental Bonds Online

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[Rental Bonds Online](#) is an online system that allows tenants and landlords to manage their bonds. The system is managed by NSW Fair Trading, part of the NSW Government. The system is secure and allows payments of bonds through Visa, Mastercard, BPay and bank transfer.

**Rental Bonds Online is the best way to pay the bond.** You can be sure that your bond has been lodged correctly. It is also **easier to claim your bond back** at the end of your tenancy. It's a good idea to keep your own records of the bond you paid, as well as your login details somewhere safe you'll remember. The vast majority of renters use Rental Bonds Online to pay the bond.

In a shared tenancy, NSW Fair Trading may ask to deal with the 'primary tenant' when making changes to the bond. Who is the 'primary tenant' is determined when the bond is lodged online.

All landlords and agents must give you the option to use Rental Bonds Online if you want. However a landlord who requires you to use Rental Bonds Online when you do not want to may be fined \$2,200.

## Help with paying the bond

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Homes NSW operates the Rentstart Bond Loan scheme to provide financial assistance to help tenants set up or maintain a tenancy in the private rental market. The loan is interest-free and repayable to Homes NSW. There are certain eligibility requirements. See [Applying for a Rentstart Bond Loan](#) (NSW government).

## The landlord must follow the rules

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If the landlord/agent does not follow the rules around bond, you can make a complaint to NSW Fair Trading, and they can be fined. It's a good idea to get advice from your [local Tenants Advice and Advocacy Service \(TAAS\)](#) before making a complaint. Some important rules include:

- The landlord can only ask for one bond per tenancy.
- The landlord/agent must lodge the bond properly with Fair Trading.
- If you pay the bond to the landlord/agent, then they must lodge it correctly:
  - A landlord must lodge the bond within 10 working days after it's paid
  - An agent must deposit the bond within 10 working days after the end of the month you pay your bond in

- If you agree to pay the bond in instalments, contact NSW Fair Trading for information on time limits and deadlines.
- You cannot be asked to 'top-up' the bond if the rent goes up or a new person moves in. There is a specific process for transfer of bonds in share housing (see below).
- 'Pet bonds' are illegal in NSW. The landlord/agent cannot increase the rent or bond because you have a pet. However they may impose certain 'reasonable' conditions – see [Factsheet: Pets](#).
- The bond must be paid in money. You cannot be asked for another form of security, like someone being a guarantor, or a written guarantee, or a car title for example.

## How do I fill in a condition report?

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When you first move into your rental home, you will be given a 'condition report.' The condition report is a very important document, because it is **proof of what the property is like at the start of your tenancy**. It's important to make sure that all **existing damage** is recorded on the condition report – in order to avoid being unfairly blamed for it at the end of the tenancy.

### Steps to fill in a condition report:

- Take time to thoroughly inspect every part of the property
- Note anything that is dirty, damaged or broken – even if you think it is small or if the landlord has promised to fix it.
- Take lots of clear **photos** and keep them somewhere safe you'll remember. You may wish (but are not required) to include a copy of your photos when you return the condition report.
- Return the condition report to the landlord or agent **within 7 days**.
- Keep a copy for your records.

**Tip:** Take both close-up and distance photos. As well as close-up photos of damage, it is useful to have photos of the whole area, for perspective – so it's clear where the problem is in the room and how big it is.

## Always complete the condition report

Rosa forgot to fill in the condition report when she moved in. When she moved out, her landlord said she had caused blu-tac marks on the walls – even though they were already there when she moved in! The landlord claimed some of her bond money to repaint the walls.

## More info at [tenants.org.au](https://tenants.org.au)

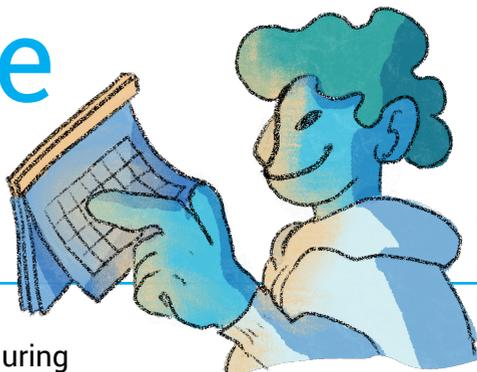
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- [New Renters Kit](#)
- [Factsheet: Starting a Tenancy](#)



# During the tenancy

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The best way to protect your bond during your tenancy is to keep a **good record** of what happens – such as when things break – and your **written communication** with the landlord/agent.

**Follow your responsibilities** under the tenancy agreement. If you break them you may put your bond at risk:

- **Pay the rent** and other charges on time. See [Factsheet: Rent payment](#)
- Keep the property **reasonably clean and cared for**. Take note of problem areas (e.g. ventilation when showering), or items that need special cleaning (e.g. stone bench tops).
- If you want to keep a **pet**, you may have additional cleaning responsibilities – see [Factsheet: Pets](#)
- If you want to **sub-let or transfer** your tenancy, other people's actions may become your cost – see [Factsheet: Transfer and sub-letting](#).
- If the property needs repairs or modifications, tell the landlord/agent in writing – see below
- Give proper notice before moving out – see [Factsheet: How do I end my tenancy?](#)

If you are having trouble meeting your obligations, reach out to your [local Tenants Advice and Advocacy Service](#) for advice.

## Repairs

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Some renters worry about asking for repairs, but it is a better approach to promptly let the landlord/agent know about what is needed. It is

also worth remembering that you have a **legal responsibility** to let the landlord/agent know if repairs become needed at the property. This gives the landlord the opportunity to properly maintain the property... and protects you from blame later!

If you ask for repairs and the landlord/agent responds with a rent increase or eviction notice, call your **local Tenants Advice and Advocacy Service** for advice. It may be possible to dispute an **excessive rent increase**, or oppose a **retaliatory eviction notice**.

It is a good idea to be polite when asking for repairs. You can tell the landlord/agent if you are concerned about the damage/disrepair, or if it is something you are just letting them know about.

### Tips for repairs

- Always ask for repairs **in writing**, even if you have already had a phone conversation. Include a reasonable timeframe for when you would like the repairs to be done by.
- Follow up phone calls with an email or text so you have a record.
- Take photos before and after repairs.
- Keep your records somewhere safe you'll remember.

### Doing repairs yourself

If you want to do repairs or minor property modifications yourself, you need the landlord's **prior written permission**. You might be able to negotiate with the landlord about who will pay for the costs. Get their consent and agreement to pay **in writing**, and keep records and evidence such as receipts.

If you accidentally damage the property during your tenancy, you may wish to **repair the damage** before you move out, in order to avoid a claim on your bond. It is best to be upfront about this with the landlord/agent – tell them about what you want to fix. They may agree to you repairing the damage yourself or arrange for a fair fix. Confirm their agreement in writing. You are not expected to replace old with new, even if you are responsible for the damage. You could get advice from your **local Tenants Advice and Advocacy Service** before agreeing to replace anything.

If you want to make **modifications** to the property, you need to get permission from the landlord/agent. See also **Tips: Negotiating with the landlord** and **Property modifications for older tenants**.

### Repairing a small section of carpet

Ahmed's daughter knocked his cup of coffee over and it made a big stain on the new carpet. Ahmed talked to the landlord about the damage and they agreed that he could have that section of carpet repaired by a professional, using some remnants of carpet in the wardrobe. The cost was reasonable, and Ahmed didn't lose his bond at the end of the tenancy.

## More info at [tenants.org.au](https://tenants.org.au)



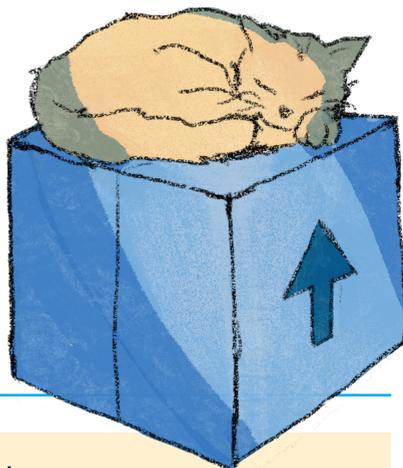
- **Factsheet: Repairs and maintenance**
- **Property modifications for older tenants**

Other issues might come up during a tenancy with implications for your bond. See:

- **Factsheet: Overdue rent**
- **Factsheet: Utilities – water, energy, internet**
- **Factsheet: Mould**
- **Factsheet: Locks and security**
- **Factsheet: Domestic violence and renting**
- **Factsheet: Disaster damage**

# Can I transfer the bond?

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If you want to transfer your bond to a new tenancy, or to a different person, you have limited options. In 2026 the NSW government plans to bring in a **portable bonds scheme** which will aim to reduce stress and financial pressure on renters. When that happens we will update the information in this section. In the meantime these are the rules for transferring your bond to a new tenancy.

## How do I transfer my bond to a new tenancy?

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1. Fill in a **Transfer of Bond form** (NSW Fair Trading or Service NSW). Have the form signed by:
  - all the tenants named on the bond deposit notice
  - the original landlord/agent
2. Attach this form to the new 'Bond Lodgement' form.

### **Note: You can only transfer your bond to a new tenancy if:**

1. you lodged the bond using a paper form (you did not use Rental Bonds Online),
2. the same tenants are all moving to the new tenancy,
3. the landlord/agent of the original tenancy agrees and they are not claiming any of the bond, and
4. none of the tenants used Rentstart to pay the bond.

# How do I make changes to the bond in a shared tenancy?

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In a share house or co-tenancy, you may need to make changes relating to the bond when someone moves in or out. It is important to **keep good written records** about who has paid what amount of bond, to whom, and why, in order to reduce the risk of a dispute later on. You should also keep records of any communication with the landlord/agent and/or Fair Trading.

NSW Fair Trading may ask to deal with the 'primary tenant' when making changes to the bond in a shared tenancy. Who is the 'primary tenant' is determined when the bond is lodged online.

Making changes to a shared tenancy can be complicated. Changing the bond registration with NSW Fair Trading does not automatically change the tenants according to the residential tenancy agreement (lease) – these are separate processes with separate paperwork (see more below).

If you are unsure, seek advice from your [local Tenants Advice and Advocacy Service](#) or NSW Fair Trading on 13 32 20.

## Bond refund to former co-tenant

When the tenancy of one co-tenant ends, the remaining tenant/s must pay back a former co-tenant's bond on written request – less any rent owed or other reasonable costs – within 14 days of the request.

This does not apply if:

- the former tenant's debts exceed the amount of bond money they paid, or
- the former tenant has been excluded from the premises by a final Apprehended Domestic Violence Order

If a former co-tenant disagrees about how the bond is paid out to them, they can make a written request to the other co-tenants. If the request is not satisfied within 14 days, they can apply to the NSW Civil and Administrative Tribunal (NCAT) to resolve the matter. They must apply within 28 days of the written request not being satisfied.

If a payment is made directly to a former co-tenant, you may wish to complete a [Bond repayment to co-tenant Statutory Declaration](#) and keep it for your records.

## Transfer of tenancy and bond

If you want to transfer your tenancy to another person, you need the landlord's consent. The landlord must not unreasonably withhold consent. See more in [Factsheet: Transfer and sub-letting](#).

It is not necessary to **sign a new tenancy agreement** (lease) to transfer a tenancy. However the landlord/agent may request that the new tenants sign a new agreement and it may be sensible to do so. The new tenants could also request a new condition report. As always, take photos and notes when you move in.

## How to change the names of the tenants registered for the bond

If you or your fellow tenant(s) want to leave, you should change the names of the tenants registered for the bond with NSW Fair Trading. This is a separate process to transferring the tenancy to another person for the purposes of the tenancy agreement that you do with the landlord/agent, and it has separate paperwork.

To change the names of the tenants registered for the bond, fill in a [Change of Shared Tenancy Arrangement form](#) (NSW Fair Trading or Service NSW). Have it signed by the outgoing and incoming tenants and the landlord/agent and return it to NSW Fair Trading.

**Note: You can only use the Change of Shared Tenancy Arrangement form if:**

1. At least one of the original tenants remains in occupation, and
2. None of the tenants used Rentstart to pay the bond

# How do I get my bond back at the end of the tenancy?



The bond is your money and it should be returned to you in full when the tenancy ends, unless the landlord has a **valid** claim. If the landlord wants to claim from your bond at the end of the tenancy, they need to prove **why** and **what the bond money is needed for** – with **evidence** such as quotes, invoices. Keep in mind that most bonds are returned to tenants in full.

When you move out, your responsibility is to **return the property in a similar condition** to how it was when you started renting it (taking into account the normal wear and tear of living somewhere).

**The condition report and photos from the start** of your tenancy become important here, because they are proof of what the property was like when you got it.

You are responsible for any **damage** you have caused, but you are not responsible for normal ageing or '**fair wear and tear**.'

Make sure you **take lots of photos** just before you give the keys back.

You have the right to attend the final inspection of the property, and it is a good idea to do so. This is when the landlord/agent (and you) complete the outgoing condition report.

It is usually a good idea to put in your bond claim **as soon as you have moved out and returned the keys** – you do not need to wait for the landlord/agent. Don't sign anything that you don't agree with. See more below: 'You can claim your bond as soon as you move out.'

Make sure you give the **correct notice and time period** for ending your tenancy. If you are **breaking a fixed-term lease**, a break fee may apply. See [Factsheet: How do I end my tenancy?](#)

## Update your address

When you move, it's important to update your address and/or set up mail forwarding. If you have used Rental Bonds Online you can log in and update your details there – including phone and email. If not you can call the Rental Bond Board/NSW Fair Trading about updating your address. You should also give the landlord/agent your new address. This will ensure you receive notices or important information. Otherwise notices (like a bond claim) may be sent to your last known address – the property you've just moved out of!

## End-of-tenancy survey

When you finalise your bond, look out for an email from NSW Fair Trading asking you to participate in an end-of-tenancy survey. We encourage all tenants to fill out this survey – it is confidential and the data helps organisations like ours advocate for law reform and renters' rights.

# What might the landlord claim for?

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The sorts of claims made by landlords against tenants' bonds commonly include:

- Unpaid rent
- Break-lease fees
- Cleaning fees
- Repairs for damage
- Rubbish removal
- Gardening

If the landlord wants to claim your bond money they need to **prove why** and what the bond money is needed for with **evidence**, such as quotes and invoices. If the landlord or agent does not provide the evidence, ask for it.

The landlord/agent **cannot** claim your money for:

- ‘fair wear and tear’ (deterioration caused by everyday use or natural forces – see more below)
- damage caused by their own failure to take proper care (such as mould caused by not repairing a leak they knew about)

## The landlord must minimise their losses

The landlord has a responsibility to ‘mitigate’ their losses. This means they must take reasonable steps to limit any financial loss they are facing. They are not entitled to claim your money for a loss that **could have been avoided** if they had taken reasonable action. See more below in: ‘If there is a dispute about the bond.’

## Cleaning

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You need to return the property **reasonably clean**. ‘Reasonably’ clean does not mean ‘pristine’, ‘perfect’ or ‘spotless.’ It just means what a sensible person would think is clean, also considering how the property was when you moved in.

**You do not have to hire a professional cleaner** at the end of the lease. In general, a professional clean will be beyond the standard of a ‘reasonable clean’ so you should not feel that you have to pay for a professional end-of-lease cleaner if you would rather do it yourself. If you do decide to pay a professional cleaner, tell the landlord/agent, and **keep the receipt**.

Sometimes a dispute arises around whether damage is caused by a lack of cleaning (your responsibility) or by structural issues / disrepair in the property (landlord’s responsibility). Common examples are mould and pests. It helps if you can provide evidence to show you took reasonable steps to address the issue, such as regular cleaning and/or telling the landlord about the problem. See [Factsheet: Mould](#), [Blog: Roaches in your rental](#), and [Pests or vermin in a rental property](#) (NSW government).

## Dirty oven

If the oven was dirty when you got it, and you noted this on the condition report and took photos, you shouldn't have to return it spotless. If you do return the things cleaner than when you rented the property, make sure you take photos and tell the landlord in writing.

## Pets

The landlord may have set conditions on cleaning and fumigation at the end of the tenancy as part of their permission for you to keep your pet. These conditions must be 'reasonable and appropriate.' For more information see [Factsheet: Pets](#).

# What counts as damage? What is 'fair wear and tear'?

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You are **responsible for damage** that you caused or allowed to happen, including by other occupants or guests. This includes both damage caused **intentionally** (on purpose) or **negligently** (by failing to take proper care).

You are **not responsible for 'fair wear and tear.'** This is the normal ageing that happens to a property through reasonable everyday use, or the ordinary forces of nature. 'Fair wear' is deterioration caused by reasonable use (for example, carpet worn from walking on it), while 'fair tear' is caused by nature (for example curtains damaged by sunlight).

If the landlord wants to claim money from your bond for damage, they must prove that the damage is beyond normal wear and tear.

Deciding what counts as damage or fair wear and tear can be complicated. The particular circumstances of the property and the tenancy must be taken into account. For example the number and type of people in the household is relevant as is the length of the tenancy – it is reasonable to expect more wear in a household with lots of people and children. If you are unsure, it's a good idea to get advice from your [local Tenants Advice and Advocacy Service](#).

Below are some examples of what could be considered fair wear and tear or damage. These examples are a guide to thinking about bond issues and framing your rights as a tenant. Ultimately only the NSW Civil and Administrative Tribunal can decide what is fair wear and tear or damage.

## Examples of fair wear and tear vs damage

<b>Fear wear and tear – not your responsibility</b>	<b>Damage – your responsibility</b>
Carpet worn from walking on it, or with small indents from furniture	Carpet with large burn mark from iron
Curtain damaged by sunlight or old age	Curtain torn by a pet
Paint that is faded, cracked, or has a few minor marks	Holes in walls left by nails, staples or picture hooks
Scuffed paint near light switches	Crayon drawings on walls
Water damage caused by a leak you told the landlord/agent about	Water damage caused when you forgot the bath was running and it overflowed
Kitchen bench with a few minor scratches, marks or swelling	Kitchen bench with serious scratches or burn marks because you did not use a cutting board or heat protection
Glass shower door chipped by normal opening and closing in everyday use	Glass shower door you smashed by accidentally slamming it
Cracks in the driveway caused by ground movement	A crack caused by your removalists dropping a washing machine on the driveway

*Continued...*

<b>Fear wear and tear – not your responsibility</b>	<b>Damage – your responsibility</b>
Minor stains from oil leaking from a car parked in the designated parking area	Damage to grass caused by parking a car on the front lawn
A few minor dents in a colourbond fence which do not significantly diminish its function or appearance	Serious dents or holes in the fence
Old fly screen torn by the wind	Fly screen broken because you decided to remove it
A couple of small scratches on the floor caused by a pet or child	Significant scratch marks or gouges caused by your pet or child
A few marks on patio tiles caused by pot plants	Chipped, cracked and broken tiles caused by dropping things
Minor damage to 15-year-old blinds, caused by cleaning and everyday use	Damage to 1-year-old blinds, caused by pulling the cord too hard
Damage from a fire caused by a faulty light fitting that you asked the landlord to repair	Damage from a fire you caused when you forgot the stove was on

**See also:**

- Below: 'What if there is a dispute about the bond'
- [Fair wear and tear versus damage in rental properties](#) (NSW government)
- [Factsheets on bond](#) (Eastern Area Tenants Service) – includes information on specific items like carpets, kitchens, pools etc
- [Factsheet: Mould](#)
- [Factsheet: Locks and security](#)
- [Factsheet: Disaster damage](#)

# Do I have to pay for new things?

## What is depreciation?

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You have to pay for damage you caused, **but not for making everything brand new again.**

Many things in a rental, like carpets, blinds, paint, flyscreens, and the oven, **get older and wear out over time.** You must pay for damage you caused or allowed, but you don't have to pay the full cost of new things to replace things that are old.

The landlord should not claim 'new for old' for items that are damaged. They are only entitled to the value of the damaged item, taking its age into account.

**Depreciation** is the name for the reduction in the value of something over time, particularly due to wear and tear. Landlords already claim **tax depreciation.** That means they benefit from telling the tax office every year that things such as carpets and ovens are losing value as they get older. The law says it would not be fair for them to make you pay for a brand new version when the old one was already used.

To find the accepted **life span for common items,** you can search 'Australian Taxation Office Effective Life Table' and the current year. Click on 'Accommodation and food services', 'Rental Property Items.'

You can discount the value of an item for its age using this calculation:

- [Price paid for item] **multiplied by** [life span minus actual age] **divided by** [life span].

### Examples of depreciation

As an example, say you broke a **ceiling fan** which originally cost \$200, and is now 4 years old. The lifespan of ceiling fans is 5 years according to the Australian Taxation Office Effective Life Table. Each

year they lose 20% of their value. Using the formula above:

$$\$200 \times (5-4) / 5 = \$200 \times 1/5 = \$40.00$$

So the landlord is entitled to claim \$40 from your bond.

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The lifespan of **paint** is usually taken as 7-10 years. So if the walls have not been repainted for 10 years, even if any damage is beyond fair wear and tear, the landlord has not suffered any loss and cannot claim repainting.

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The lifespan of **carpet** is usually taken as 8-10 years. This means the landlord is not entitled to the replacement costs of any portion of the carpet after it has reached 10 years of age, as they will not have suffered any real loss.

**Depreciation and normal wear and tear are sometimes connected.** The landlord/agent may not be able to claim for damage to old items, even if the damage would normally be considered beyond fair wear and tear. For example if you damage the carpet, but it is very old, you could argue to the landlord/agent that they are not entitled to claim from your bond.

See also below: 'If there is a dispute about the bond!'

## Domestic violence

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If damage was done during an incident of domestic violence, only the offender should be held responsible for that damage. The victim-survivor (and other tenants who are not the DV offender) should not be held responsible. This is the case whether or not the offender is a tenant.

It is a good idea to inform the landlord in writing about the damage. You may need to keep **evidence**, such as a DV Termination Notice, photos, police report, or a report from a support worker or medical professional. If police attend the premises due to DV, record their names and the event number.

More info: [Factsheet: Domestic violence and renting](#).

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# Take photos when you move out

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Take **lots of clear photos** from different angles to show the condition of the property when you leave. Photos are important evidence if a dispute arises. It is a good idea to take photos of similar areas and from the same perspective as when you moved in. It is useful to have comparative before and after photos.

Consider what evidence you will need if the landlord/agent tries to make a claim on your bond. For example, it's a good idea to take photos that **show the cleaning or repairs you have done**, or damage that was caused by the landlord/agent failing to do repairs you asked for.

You may not be able to return after you vacate, so it is important to gather any evidence you might need **before you leave**.

## You can claim your bond as soon as you move out

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It is usually a good idea to put in your bond claim **as soon as you have moved out and returned the keys**. You can do this whether you and the landlord agree or disagree on the amount to be returned. **You do not need to wait for the landlord/agent**, although you may wish to inform them and request their agreement (see below).

Put in your bond claim through [Rental Bonds Online](#) if that's how your bond was lodged at the start of the tenancy, or use the [Claim for Refund of Bond money form](#).

You can claim your full bond, or if you agree you owe a certain amount (for example unpaid rent or repairs to damage you caused), you can put in a claim less the amount you owe. You can ask the landlord/agent to approve your claim with NSW Fair Trading as soon as possible.

The landlord/agent will be notified by Fair Trading when you put in the bond claim. You may wish to write to them and let them know about your claim and your reasons. **If they want to dispute your claim**, they will need to apply to the NSW Civil and Administrative Tribunal (NCAT) within 14 days.

## Claim your bond as soon as you move out

Alf was about to move out of his rental. He was worried the agent might try to unfairly claim the bond. Alf had a chat to his local Tenants Advice and Advocacy Service (TAAS) who told him that he can make a claim for his bond as soon as he hands the keys back – without the signature of the agent. Alf made his bond claim as soon as he vacated and received his full bond back.

## If you agree with the landlord about the bond

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If you can agree with the landlord/agent about the bond, you can get it back **more quickly** – often within 24 hours of you both telling Fair Trading.

Make sure that it's an agreement you are happy with and, if they are claiming any money, that you agree with their claim. Keep in mind that most bonds are returned to tenants in full.

If the landlord/agent asks you to sign a blank form, or a claim that you disagree with, **do not sign**.

If you reach an agreement, it's a good idea to get something in writing (you can follow up a verbal conversation with an email that outlines what was agreed). You can ask the landlord/agent to tell NSW Fair Trading as soon as possible (or approve your claim if you have already put one in).

## If the landlord puts in the claim first

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If the landlord/agent puts in the bond claim before you do, **you will be notified by NSW Fair Trading**. NSW Fair Trading will use the contact details they have recorded for you. If you use Rental Bonds Online you can log in and check/update your contact details, including phone and email.

**If you agree with the landlord's claim**, you can confirm with NSW Fair Trading to finalise the process as quickly as possible.

**If you do nothing**, the bond will be paid into your nominated bank account (less any amount claimed by the landlord) after **14 days**.

**If you disagree with the landlord's claim**, you will need to apply to the Tribunal to dispute their claim. See more below: 'If there is a dispute about the bond.'

## The final inspection

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**You have the right to attend the final inspection of the property, and it is a good idea to do so.** This is when the landlord/agent (and you) complete the outgoing condition report. The outgoing condition report should reflect how you left the property and so needs to be done as close as possible to the day you gave back possession. Delays in the final inspection may mean it no longer records how you left the property.

If there is a dispute later, it could help if you can show that you made reasonable efforts to organise a **joint outgoing inspection**, but that the landlord/agent did not agree to one or attend. It may raise questions about whether their records are a fair reflection of the condition.

Practically, it can be good to go to the inspection with a **cloth and a bottle of surface cleaner** just in case the landlord/agent wants to point out something easily fixed, like a dusty countertop. Sometimes you can avoid a dispute with a quick wipe.

You can also ask to **organise further cleaning**, but the landlord/agent does not have to agree to allow you to access the property again. However, you could argue that the landlord 'failed to mitigate their loss' (i.e. limit their own loss) by not giving you an opportunity to identify and fix minor issues rather than spend more money unnecessarily. This could include calling back professional cleaners who have offered a warranty on their work, rather than hiring new cleaners which comes with a new cost.

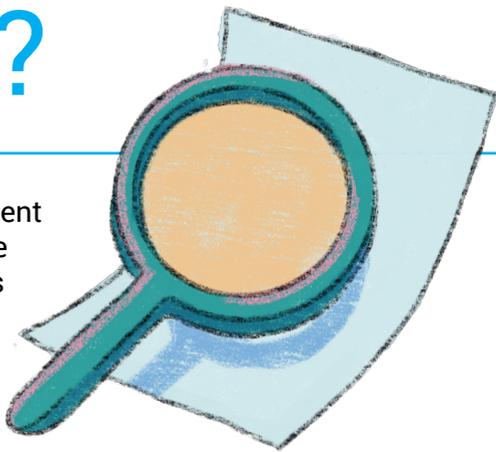
If you can't attend a final inspection, you could try to find a trusted person to go for you. Make sure they check the report carefully and take photos if required.

You can use our [Sample letter: Request for joint final inspection](#).

# What if there is a dispute about the bond?

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Many renters think the landlord/agent gets to decide what happens to the bond, but that's not true. Landlords just tend to put in the claim for the bond first, and tenants don't realise they can challenge an unreasonable claim.



It's usually a good idea to put in your bond claim first – **as soon as you have moved out and returned the keys**. You can do this whether you and the landlord agree or disagree on the amount to be returned (see above).

**If you claim the bond first**, the landlord/agent will be notified, and if they disagree with your claim, **they** must take the matter to the NSW Civil and Administrative Tribunal (NCAT) and show evidence (like invoices or photos) proving why they are entitled to your bond money.

**If you do not claim your bond first**, the landlord/agent will start the process with NSW Fair Trading. If they put in a claim you disagree with, **you** will need to apply to NCAT to dispute it. If you don't apply to the Tribunal, the bond will be paid out according to their claim after **14 days**. But, you still have up to **6 months** to apply to the Tribunal if you want to challenge the claim.

Sometimes, even when you do everything right, you and your landlord might still disagree about the bond. If that happens, you can ask the Tribunal to decide.

Be aware that some landlords/agents will threaten an unreasonable claim on your bond – but some will **not follow through at the Tribunal**. Knowing the process and your rights can help you feel confident to stand your ground.

## Questions to consider about the landlord's claim

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- Have they provided the required **evidence**? (see below: 'Write to the landlord')
- How **old** is the damaged item?
- Is this issue damage or '**fair wear and tear**'?
- Did this issue **exist already** at the start of the tenancy?
- Did this issue occur because of **structural problems or disrepair** that you told the landlord/agent about and they failed to repair?
- Are they claiming an **unreasonable amount**? The landlord/agent must provide legitimate quotes/receipts/evidence to show their claim is reasonable. You can present a more reasonable amount and alternative evidence. Note that they can claim money from your bond even if they do not do the work they say is needed. However, if you have evidence that **the property has been re-let at the same or increased rent** you could argue that their loss is reduced.

## Has the landlord minimised their losses?

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The landlord has a responsibility to take reasonable steps to minimise ('mitigate') their losses. They are not entitled to claim your money for a loss that could have been avoided if they had taken reasonable action.

### A landlord/agent can mitigate their loss by:

- Doing repairs promptly when they have been reported, so the issue does not cause further damage
- Minimising expenses when repairing damage caused by a tenant

*Continued...*

- Giving a tenant an opportunity to do further cleaning if required after the final inspection
- Using council rubbish removal services rather than expensive private providers to remove rubbish left by a tenant

If you want to argue that the landlord/agent did not mitigate their loss, you will need to have evidence to back up your argument (such as a text message you sent offering to come back and do further cleaning).

## Has the landlord considered depreciation?

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Depreciation is the **reduction in value as things get older**, particularly due to normal wear and tear (see above: 'Do I have to pay for new things? What is depreciation?')

If a landlord claims for a damaged item, the tenant can:

- Ask for evidence of the age and original price paid for the item.
- Discount the value of the item according to depreciation – based on age and average useful life span (see above)

The Tribunal usually considers:

- the age, quality and condition of any item at the beginning of the tenancy
- the average useful life span of the item
- the reasonable expected use of such an item
- any special terms of the tenancy agreement relating to that item

## Step 1: Write to the landlord/agent

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Start by writing to the landlord/agent. Tell them you disagree with their claim and:

- Ask for an itemised list of what they're claiming
- Request photos, quotes and receipts supporting their claims.

You can use our [sample letter: Bond dispute](#).

A landlord who claims a bond without the tenant's agreement is required to give the tenant a copy of the completed condition report and copies of any quotes, estimates, invoices or receipts for work for which the bond is being claimed within seven days of making the claim. You may be able to use the condition report as evidence that the damage was there already when you started the tenancy.

You can try **negotiating** – see [Tips: Negotiating with the landlord](#).

## Step 2: Apply to the Tribunal (NCAT)

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**If the landlord/agent makes a claim on your bond first** you will be notified. If you disagree with their claim you need to make an application to the NSW Civil and Administrative Tribunal (NCAT). If you do not respond within 14 days, the bond will be paid out according to their claim. But, you still have up to six months to apply to NCAT if you want to challenge their claim.

The best way to apply to the Tribunal is via their website [ncat.nsw.gov.au](http://ncat.nsw.gov.au). You can also apply at Service NSW using a paper form. There is a small fee to apply; a concession rate is available. For more information on applying to NCAT, including fees, see [Factsheet: NSW Civil and Administrative Tribunal](#). See also an [example rental bond application form](#) (Eastern Area Tenants Service).

**If you put in your bond claim first**, and the landlord/agent disagrees, **they** will need to make the Tribunal application. You will receive a notice from NCAT with the details of the hearing.

## Step 3: Prepare for the Tribunal

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After an application has been lodged, you receive a notice with the date, time and location of your hearing. **It is very important to attend the hearing** – if you do not attend the Tribunal will probably find in favour of the landlord.

NCAT is an independent body that has the power to decide disputes between landlords and tenants. It is not a Court. It is a more informal

setting where you can speak for yourself. If you have time, you can even sit in on another NCAT hearing day beforehand to see how it works.

**Renters usually represent themselves** at the Tribunal. NCAT expects this. To make things easier, NCAT uses simple processes, plain language, and minimal formality.

For the best chance of success at the Tribunal, try to present your story **clearly**, backed up with strong **evidence**.

You can bring a friend or family member to your hearing for support.

The Tribunal process is designed to be quicker and less formal than a court, but **you might have to go to more than one hearing**. The first hearing is what is called a **conciliation hearing**, where the Tribunal will ask you to go to another room and try to reach an agreement with the landlord (see below). The conciliation is not a formal hearing and is usually fairly quick. If you don't reach an agreement with the landlord in this first hearing then it is unlikely the Tribunal will make a decision about your bond that day – you will be asked to come back to a more **formal hearing** where you present your case and apply law to your evidence (see below).

**It is a good idea to be well prepared for the conciliation hearing** because you could get an agreement from the landlord without the need to go back to the Tribunal. However you might not use all of your evidence unless your case goes on to a formal hearing.

What documents you could bring:

- Your Residential Tenancy Agreement (lease)
- Copies of emails, letters or messages between you and the landlord about the issues
- The condition reports (when you moved in and when you left)
- A short timeline of what happened
- Any quotes, receipts or photos you have
- An outline of your case

**Tip:** Bring a pen, notepad, calculator and your printed documents in a folder. Don't rely on your phone – you cannot present documents on your phone as evidence.

## Outline your case

Preparing a written outline of your case can be a helpful reminder of the points you would like to make. You may decide to do this in the form of a 'submission' that you can hand over to the Tribunal Member for them to read in case you don't get an opportunity to make all of your arguments. However this level of effort is not required when you first attend Tribunal for conciliation (see below).

The earlier parts of this kit should give you an understanding of what arguments are effective when challenging an unreasonable claim on your bond. See also our [Factsheet: NSW Civil and Administrative Tribunal](#).

If you need further advice, call your local [Tenants Advice and Advocacy Service](#) and tell them you have a Tribunal hearing coming up.

## Step 4: Attend the Tribunal

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It is very important to attend your NCAT hearing. If you do not attend the Tribunal will probably find in favour of the landlord. If you cannot attend, write to the Tribunal as soon as possible. See our [Factsheet: NSW Civil and Administrative Tribunal](#). Be on time – allow enough time to travel to the Tribunal and find parking if needed.

You don't need a lawyer to stand up for your rights. Stay calm, stay organised and remember, the bond is your money and you have every right to be heard!

### What to expect:

- At the first hearing there are lots of cases listed at the same time in the same room, take a seat and wait for your name to be called and then the Tribunal member will outline the next steps
- What to wear: Neat and tidy clothes are fine.
- What to bring: Prepare your evidence (such as your condition report, communication with the landlord/agent, quotes and receipts). Your matter may be resolved during the first conciliation hearing, so it's a

good idea to be prepared, however you will not have to submit copies of your evidence during conciliation. You can bring a friend or family member for support.

- How to speak: Try to be clear, calm and polite. Call the decision-maker “Member” or use their surname e.g. “Member Lee”

## Conciliation

The first thing that happens when you go to NCAT is a negotiation called ‘conciliation’. NCAT will ask both sides to go to another room and talk, and see if they can reach an agreement. Sometimes a calm conversation can resolve the dispute early and save everyone stress. **A lot of bond disputes are resolved at this stage.** If you have tried negotiating earlier and it did not work it is still worth trying again. If you settle the issue here, your matter can be finished quickly. But remember, **if the landlord does not have clear evidence** of damage you have caused (like invoices, dated photos, or receipts) you do not have to agree to pay.

If you and the landlord reach an agreement in conciliation it will be made into a legally binding order by the Tribunal. The matter ends there (see below).

### Tips for negotiation:

- Be ready to compromise. The landlord may be willing to meet you halfway.
- Remember it’s your money. The landlord must prove why they should keep any part of the bond.
- Ask for evidence: They should have quotes, invoices or photos. If they don’t, their claim may not hold up.
- Bring your own proof: Show your condition report, photos, and other evidence to explain your side.
- If they don’t provide documents when required, remind them that the fine can be up to \$2,200, sometimes more than the bond itself!

See also [Tips: Negotiating with the landlord.](#)

## Formal hearing

If you do not reach a consent agreement at the conciliation the next step is a formal hearing. If you proceed to a formal hearing, the Tribunal will give you instructions on what is required and the date to come back to the Tribunal. You will need to bring along three copies of your documents: one for NCAT, one for the landlord/agent and one copy for yourself. See more in [Factsheet: NSW Civil and Administrative Tribunal](#). It is a good idea to seek advice from your [local Tenants Advice and Advocacy Service](#) well before a formal hearing.

## Step 5: NCAT decision

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If you and the landlord reach an agreement in conciliation, the Tribunal member will make a decision, called an 'order,' in line with your agreement.

If you were not able to reach an agreement, the matter will go to a formal hearing where NCAT will consider your arguments and evidence before reaching a decision and making an order.

NCAT decisions are final unless either party asks for an appeal within strict time limits.

For more information on the Tribunal process, see [Factsheet: NSW Civil and Administrative Tribunal](#).

# More info at [tenants.org.au](https://tenants.org.au)

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Find factsheets, sample letters, and more on the Tenants' Union of NSW website – [tenants.org.au](https://tenants.org.au)

- Factsheets: [Bond](#), [NSW Civil and Administrative Tribunal](#), [Starting a tenancy](#), [How do I end my tenancy?](#), [Repairs and maintenance](#), [Domestic violence and renting](#), [Share housing](#), [Rent payment](#), [Pets](#).
- Sample letters: [Bond dispute](#), [Request for joint final inspection](#), [Bond top-up](#), [Bond not lodged](#), [Bond repayment to co-tenant Statutory Declaration](#)
- [New Renters Kit](#)
- Tips: [Negotiating with the landlord](#), [Avoiding rental scams](#)
- Podcasts: [Bond](#), [Getting a foot in the door](#), [Get me outta here](#), [Hit the road Jack](#), and [Negotiation for renters](#)
- [Factsheets on different aspects of bond claims](#), e.g. carpets, kitchens, walls and paint (Eastern Area Tenants Advice and Advocacy Service)
- [Easy Read fact sheets](#): When you start to rent, Moving out

## Info from the NSW government

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Find renting info from the NSW government at [nsw.gov.au/housing-and-construction/renting-a-place-to-live](https://nsw.gov.au/housing-and-construction/renting-a-place-to-live)

- [Residential rental bonds](#)
- [Getting your bond back at the end of a tenancy](#)
- [Examples of 'fair wear and tear' and damage](#)
- [Dealing with bond disputes for tenants](#)
- [Rental property condition reports](#)
- [Rental Bonds Online](#)
- [NSW Fair Trading](#) (phone 133 220)
- [Homes NSW](#) (phone 1800 422 322)
- [NSW Civil and Administrative Tribunal](#) (phone 1300 006 228)

# A few useful NCAT cases

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If you are interested in learning more, you could look at the following cases. However, note that you do not need to reference cases at the Tribunal. It is better to simply tell your story and rely on the evidence.

- *Alamdo Holdings Pty Limited v Australian Window Furnishings (NSW) Pty Ltd* [2006] [NSWCA 224](#) – Fair wear and tear
- *Graham, Caste, Pilonchery v French (Tenancy)* [2013] [NSWCTTT 15](#) – Reasonable cleanliness
- *Patricia Panico v Carolyn Crompton and Rodney Jennings* [2015] [NSWCATAP 110](#) – Fair wear and tear
- *Welch v Luke; Luke v Welch* [2019] [NSWCATCD 72](#) – Depreciation, fair wear and tear, landlord's failure to provide receipts in a timely manner, landlord's responsibility to mitigate loss
- *Vasales v Li* [2021] [NSWCATAP 295](#) – Depreciation, fair wear and tear

***The rental bond is your money. This kit will help you protect it, avoid unfair losses, and get your money back when you move out.***

## Why do renters lose bonds?

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Some common reasons renters lose some or all of their bond:

- Not filling in and returning the **condition report** at the beginning of your tenancy
- Not telling the landlord/agent about **repairs**
- Confusion about **cleaning** standards
- Not understanding the difference between **damage** and normal **wear and tear**
- Feeling overwhelmed by the **bond claim process**
- Not challenging an **unreasonable claim** by the landlord/agent
- Getting behind on the **rent**

In this kit we look at these issues and more, and how to keep your bond.

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You can also find this kit online at [tenants.org.au/resource/bond-kit](https://tenants.org.au/resource/bond-kit) together with many other resources, including a shorter summary of the rules about bond in our [Bond Factsheet](#) and our 4-minute [Bond Animation](#).

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***For free, professional tenancy information and advice, contact your local Tenants Advice and Advocacy Service (TAAS):***

### **SYDNEY:**

- Eastern 9386 9147
- Inner 9698 5975
- Inner West 9559 2899
- Northern 9559 2899
- Southern 9787 4679
- South West 4628 1678
- Western 8833 0933

### **REGIONAL:**

- Blue Mountains 4704 0201
- Central Coast 4353 5515
- Hunter 4969 7666
- Illawarra Sth Coast 4276 1939
- Mid Coast 6583 9866
- Northern Rivers 6621 1022
- Northwest NSW 1800 836 268
- Southwest NSW 1300 483 786

### **ABORIGINAL:**

- Sydney 9833 3314
- West NSW 6881 5700
- South NSW 1800 672 185
- North NSW 1800 248 913

**WEB:** [tenants.org.au](https://tenants.org.au)

**NSW FAIR TRADING:** 13 32 20

